

Old Age, Disability, Death

First law: 1922.

Current laws: 1983, 1991 and 1998.

Type of program: Social insurance system.

Exchange rate: US\$1.00 equals 6.30 Croatian kunas (HRK)

Coverage

Persons employed in industry, commerce or services, public employees and apprentices. Self-employed workers in non-agricultural and agricultural areas.

Source of Funds

Insured person: 10.75% of earnings. Self-employed, 21.5%

Employer: 10.75% of payroll.

Government: Covers all or part of costs, as necessary.

Qualifying Conditions

Old-age pension: Age 60 (men) or 55 (women) and 20 years of coverage, age 65 (men) or 60 (women) and 15 years of insurance, gradually changing to age 60 for men and women and 15 years of coverage by 2007.

Early retirement pension (anticipatory pension): Age 55 and 35 years coverage (men) or age 50 and 30 years coverage (women), gradually changing to age 60 and 35 years of coverage (men) or age 55 and 30 years of coverage (women) by 2007.

Disability pension: Permanent and total loss of capacity to work in the same job or other comparable jobs prior to age 65 (men) or 60 (women) (total disability). Insurance coverage during at least 1/3 of working life after age 20 (age 23 for insured persons with higher education; age 26 for insured persons with university degree). More favourable conditions if disability occurs before age 30.

Compensation for loss or damage of a part of the body or of an organ: Insurance coverage during at least 1/3 of working life.

Survivor pension: Deceased was a pensioner or had 5 years of insurance or 10 years of pensionable periods.

Attendance supplement: All pensioners and some categories of handicapped employed persons who need constant care and attention of another person, means tested.

Old-Age Benefits

Old-age pension: At least 35% (men) or 40% (women) of average earnings during highest consecutive 10 years of insurance coverage. (Salaries adjusted by increase in average salaries.) Maximum pension: 85% after 40 years (men) or 35 years (women) of pensionable periods.

Early retirement pension: Reduction of 1.33% for each year of early retirement. Reduction cancelled once pensioner attains normal retirement age.

Minimum pension: 1,116.53 HRK per month.

Maximum pension: 3,532.12 HRK per month.

Adjustment: Periodic adjustment of pensions for changes in average wages.

Permanent Disability Benefits

Disability pension: Minimum pension: 45% (men) or 55% (women) of average earnings during highest consecutive 10 years of insurance

coverage. Maximum pension: 85% after 35 years (men) or 30 years (women) of pensionable periods.

Compensation benefit for loss or damage of a part of the body or of an organ: 12-40% from lump sum base according to the degree of disability (30%-100%).

Constant attendance allowance: 332.61 HRK per month in case of total incapacity or 250.68 per month for partial incapacity. Blind persons receive 416.21 HRK.

Adjustment: Periodic adjustment of benefits for changes in average wages.

Survivors Benefits

Survivor pension: 1 survivor, 70% of pension paid to deceased or accrued at time of death; 2 survivors, 80%; 3 survivors, 90%; 4 survivors or more, 100%.

Eligible survivors: Widows age 45 or widowers aged 60, or caring for eligible children, or disabled. Children up to age 15 (26 if student, without limit if disabled).

Minimum benefits: 1,116.53 HRK per month for 4 or more family members, 1,004.88 HRK for 3 family members, 893.22 HRK for 2 family members, and 781.57 HRK for one family member.

Adjustment: Periodic adjustment of benefit for changes in average wages.

Administrative Organization

Ministry of Labor and Social Welfare: General supervision.

Separate Pension and Disability Insurance Funds for employees, for the self-employed, and for farmers: Benefit administration. Joint management by representatives of persons insured and beneficiaries appointed by Government.

Common administration for the three funds by the Central Office of the Republic Fund of Pension and Disability Insurance of Workers. The Central Office has 16 Regional Offices.

Sickness and Maternity

First law: 1954.

Current law: 1993, amended in 1996 and 1998.

Type of program: Social insurance system.

Coverage

Employed persons, public employees and non-agricultural self-employed persons.

Medical care only: Self-employed agricultural workers, pensioners, and unemployed persons.

Source of Funds

Insured person: 9% of earnings; farmers, 11%; self-employed, 18%.

Employer: 9% of payroll.

Government: Contributions from State budget.

Qualifying Conditions

Cash benefits and medical services: No minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: No fixed amount. Benefits vary between 80% and 100% of the average monthly salary earned in previous 6 month period according to the cause of the absence. Payable for 14 months. Employer pays for the first 42 days.

Maternity benefit: 100% of salary for 180 days (from 28-45 days before estimated date of birth). Also payable during additional maternity leave until the child attains the age of 1 for the first and second child, or the age of 3 for twins and for the third and every subsequent child.

Minimum sickness and maternity benefit: 1,600 HRK per month. Maximum amount: 4,188.25 HRK per month until child is 6 months; Minimum 1,600 HRK, maximum 2,500 HRK until child is 1 year old. From age 1 to age 3 of child, 1,600 HRK. Unemployed mothers, 1,600 HRK during entire maternity leave regardless of child's age.

Maternity grant: Lump sum payment of 1,360 HRK.

Funeral grant: Lump sum payment of 850 HRK.

Workers' Medical benefits

Medical benefits: Provided by public or private health institutions which have a contract with the Croatian Institute for Health Insurance. Includes primary and specialist treatment, hospitalization, orthopedic and other aids, dental care, approved pharmaceuticals, laboratory services, maternity care, preventative care services, emergency aid, rehabilitation services, appliances and transportation. Cost sharing by patients varies according to the kind of service provided. Free services are provided for people with low incomes.

Dependents' Medical Benefits

Medical benefits: Same as for insured person. Medical care for children under age 18 is free of charge.

Administrative Organisation

Ministry of Health: General supervision.

Croatian Institute for Health Insurance, with 21 District Offices: Administration of benefits. Institute is governed by Managing Council.

Work Injury

There is no specific scheme. Benefits are provided by the programs for old age and disability insurance (pensions and other benefits) and health insurance (cash benefits and medical care). In all instances, benefits for work injury and occupational illness are granted under more favourable conditions and at higher rates than other benefits. Type of program: Social insurance program.

Coverage

Persons covered by insurance schemes for old age, disability and death and sickness.

Source of Funds

See contributions above for old age, disability and death; and sickness benefits.

Qualifying Conditions

Disability benefits in cases of work injury or occupational illness: No qualifying period required.

Temporary Disability Benefits

Cash sickness benefit: 100% of previous monthly salary. Payable for up to 14 months. Paid in full by employer.

Temporary disability pension is not provided.

Permanent Disability Benefits

Permanent disability pension: 85% of average salary, independent of the number of years of insurance coverage.

Minimum pension: 1,116.53 HRK per month.

Compensation benefit for loss or damage of a part of the body or of an organ: Paid at higher rate than those specified for old-age, disability and death benefits not related to work injury and occupational illness.

Workers' Medical Benefits

Medical benefits: Provided through sickness insurance.

Survivor Benefits

Survivor pension: 85% of the pension regardless of pensionable period completed. Benefit ranges from 70%-100% of that amount, depending on number of family members.

Administrative Organization

Same as above for old age, disability and death; and sickness and maternity, above.

Unemployment

First law: 1952.

Current law: 1996.

Type of program: Social insurance system.

Coverage

Employed persons, public employees and military personnel.

Source of Funds

Insured person: 0.85% of earnings.

Employer: 0.85% of payroll.

Government: Periodic subsidies. Total or partial cost of special categories of persons.

Qualifying Conditions

Unemployment benefit: 9 months of uninterrupted employment or, if with interruptions, 12 months employment in last 18 months.

No qualifying period required for unemployed mothers caring for children under 1 year of age, or for twins, third and every subsequent child under the age of 3. Persons whose employment ceased as a result of his/her willfull misconduct or by agreement with employer are not entitled to unemployment benefit.

Unemployed older workers with 30 years (men) or 25 years (women) of employment or within 5 years of retirement are also covered.

Temporary incapacity for work for up to 12 months covered under unemployment program.

Unemployment Benefit

Unemployment benefit: 415.00-900.00 HRK per month for 78 to 312 days depending on the duration of prior employment.

Unemployment assistance: Payable to unemployed people who participate in vocational training and who are not eligible for unemployment benefit. 415.00 HRK per month.

Administrative Organization

Croatian Employment Institute, general supervision and administration of program. Institute managed by tripartite management committee.

Benefit Administration: by central office, 21 regional offices and 86 local offices.

Family Allowances

First law: 1949.

Current law: 1977.

Type of program: Social insurance system.

Coverage

Employed persons, public employees, pensioners and military personnel. Excluded: self-employed and self-employed farmers.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost from state budget.

Qualifying Conditions

Family allowances: 12 months of uninterrupted employment or, if with interruptions, 20 months employment in last 2 years. No qualifying period required for employed single parent.

Family allowances

Family allowance: The rate depends on the amount and source of income received by family members. Single parents receive a rate 45% higher, parents of handicapped children a rate 50% higher.

Means test: 1,067.64 HRK of monthly average of annual income per member of household earned in the previous year (1,386.57 HRK for single parents).

Minimum benefit: 28.96 HRK per month.

Maximum benefit: 311.39 HRK (467.08 HRK for disabled children) per month.

Adjustment: Regularly once a year according to cost-of-living index.

Administrative Organization

Ministry of Labor and Social Care: general supervision.

Croatian Pension Insurance Institute, administration of program.